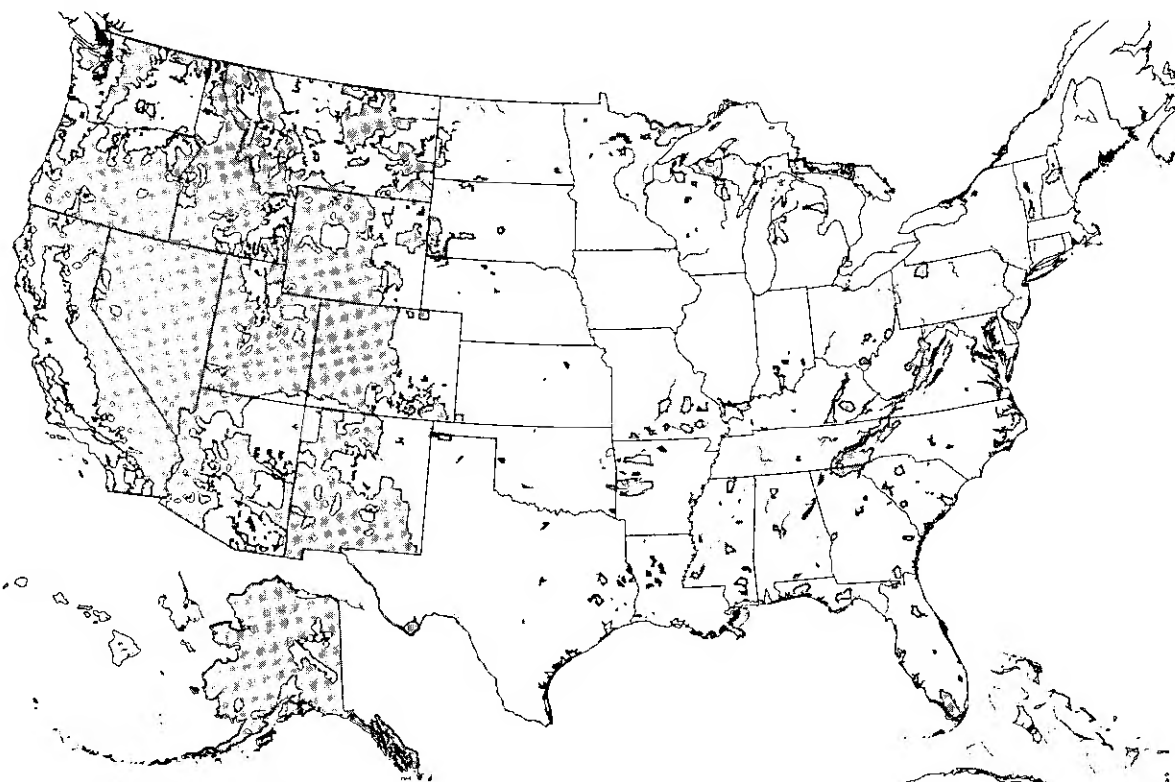


Federal Lands of the U.S.



Representative Map from 1970 Data

A Year of Enrichment: Making Self-Determination a Reality for Indian People

This Administration has changed the traditional paternalistic federal policies toward the 735,000 American Indians living on 50 million acres of reservation land. The key to the new approach is President Reagan's American Indian Policy Statement, issued in January 1983. That policy: reaffirms the government-to-government relationship; reinforces the concept of Indian self-government; designates the White House Office of Intergovernmental Affairs as liaison for Tribes; and establishes a Presidential Commission to seek ways to improve the economies on Indian reservations. In our three years, we have supported and strengthened tribal governments and improved the economies of reservations.

In 1983, we:

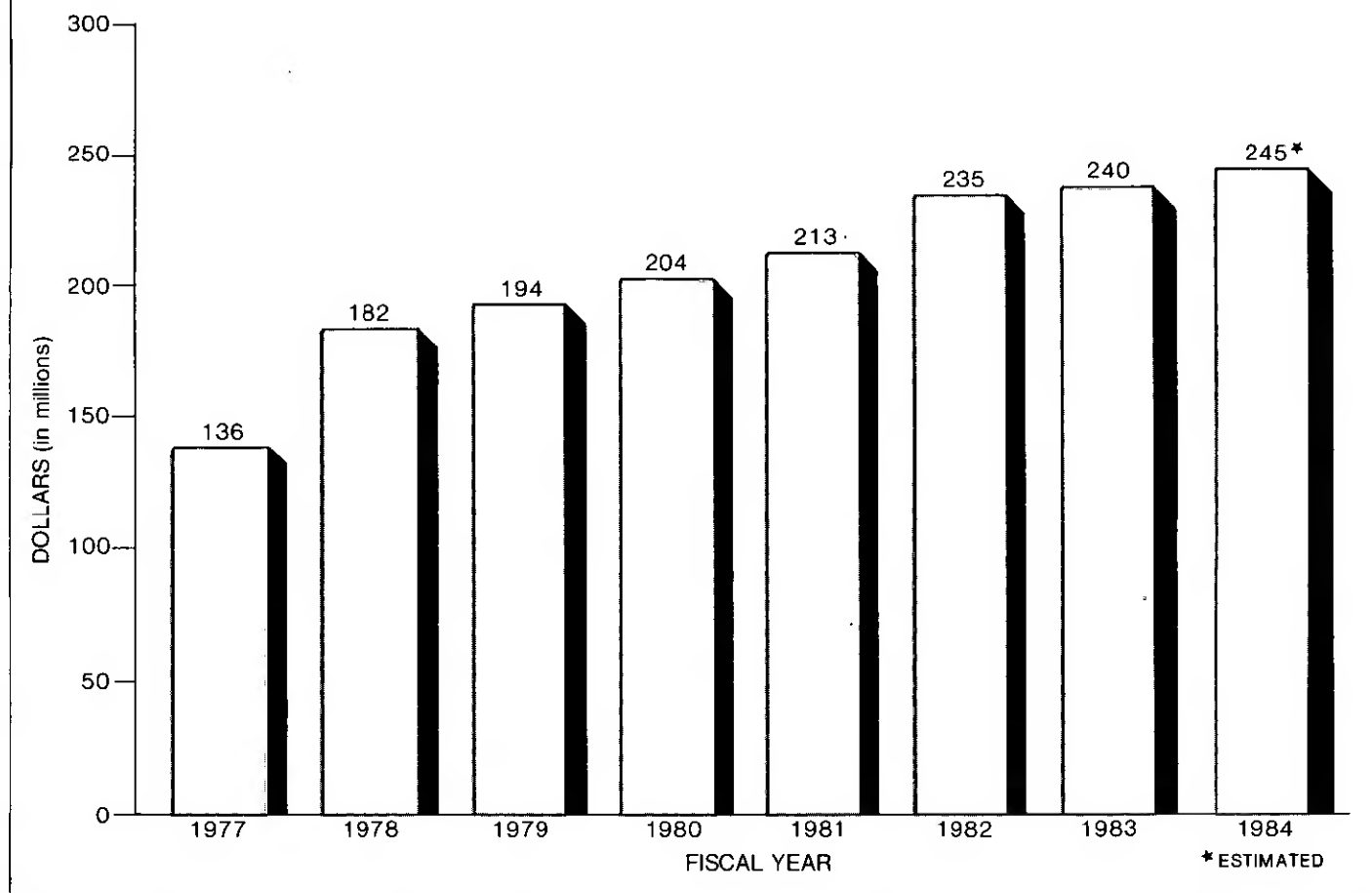
- Initiated a program to help small tribes (less than 1,500 population) gain basic managerial capabilities. One hundred seventy-five tribes and Alaska village communities received grants to enable them to improve administration and accounting skills.
- Provided almost \$17 million, under the Indian Self-Determination and Education Assistance Act, to help tribes improve government in their communities, administration of reservation programs and fiscal accountability.
- Intensified and expanded consultation with tribal leaders on policy and program matters, including regional meetings with tribal leaders and regular meetings with national Indian organizations.
- Provided \$4.6 million in "seed money" to 21 tribal ventures which will attract at least 75% of their funding from non-federal sources. Enterprises approved included: a restaurant, a grocery store, a sand and gravel business, a manufacturing business, an electronics plant, operation of a marina, a tug and barge operation, real estate development, and agricultural programs.
- Created 7,800 jobs on Indian reservations through \$114.5 million appropriated under the 1983 Emergency Jobs Act, and allocated: \$30 million for rehabilitation of 36 reservation irrigation projects; \$12.5 million for erosion control, weed and brush removal, range and agricultural conservation; \$10 million for improving reservation jails; \$30 million for reservation housing, including construction of 300 homes and rehabilitation of 1,600 homes; \$4 million to reforest 19,000 acres and thin 25,000 acres of reservation

timber lands; \$1 million for forest road maintenance; \$2.5 million for stream clearance and fish hatchery development; and, \$24.5 million for construction of a high school on the Hopi Reservation.

- Added \$75 million to the Bureau of Indian Affairs' allocation of \$43 million for construction of roads on reservations under the Surface Transportation Assistance Act of 1982. Much of this money was contracted with private, Indian-owned construction businesses. One hundred million dollars will be allocated under the Act in each of the next three years for reservation road construction.
- Determined, in an Interior Solicitor's opinion, that the Bureau of Indian Affairs could return several million dollars in annual administrative fees to the tribes from Indian timber sales.
- Initiated a feasibility study to assess the value of a forest products marketing cooperative, at the request of the tribes of the Northwest.
- Initiated a five-year program to increase the productivity of 900,000 acres partitioned to the Navajo Tribe under provisions of the Navajo-Hopi Land Settlement Act.
- Increased income to Indian tribes from mineral leases to an all-time high of \$396.3 million in 1982. This was 58.2% higher than the previous year's revenues. Of this income, \$368.2 million came from oil and gas leases.

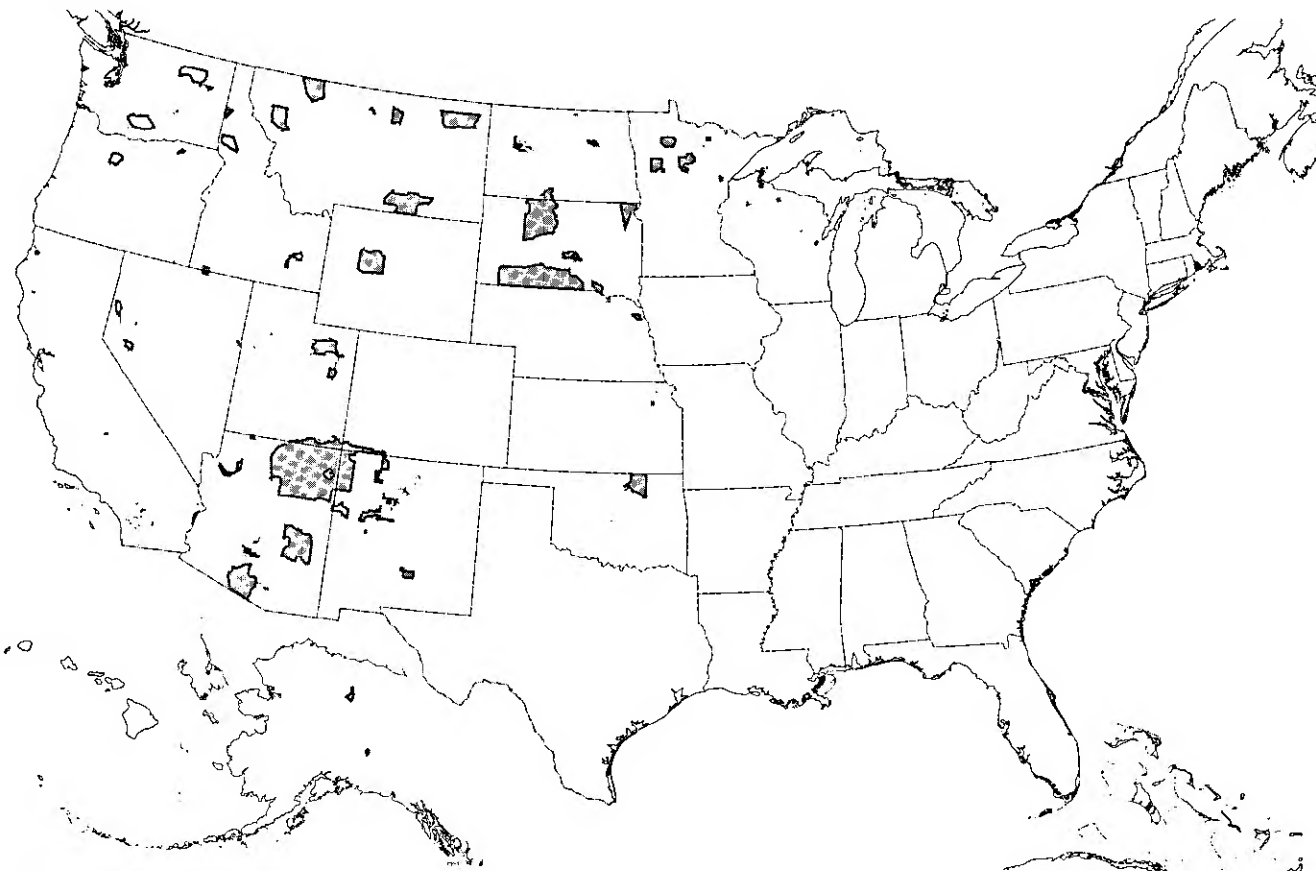


Emergency Jobs Act—funded repair of irrigation ditches on the Confederated Tribe of Warm Spring Reservation, Oregon.

Funding for BIA Programs Operated by Tribes

- Let contracts for \$240 million for tribal operation of reservation programs in fiscal year 1983. This is an increase of 15% since 1980 when tribal contracts totaled about \$204 million. As tribal contracts increased, Bureau of Indian Affairs bureaucracy decreased—from 17,894 employees in 1980 to 14,800 in 1983.
 - Launched the Presidential Commission on Reservation Economies, officially appointed in August 1983.
 - Provided college assistance grants to more than 15,000 Indian students in 1983, including about 400 in post graduate programs. Some of these students attend Sinte Gleska, one of 18 tribally-controlled Indian community colleges. This year, Sinte Gleska became the first Indian college in the country to receive accreditation on the four-year baccalaureate level. A few months later, the Oglala Tribal Community College, located on the Pine Ridge Reservation in South Dakota, also received accreditation.
 - Published proposed education standards and criteria for Bureau of Indian Affairs schools and dormitories in 1983.
 - Funded a National Ironworkers Training Program for more than 600 Indians from 70 different tribes. The starting wage for apprentices in this job placement and training program is \$8.50 per hour.
 - Won Administration support for legislation to return 25,000 acres of National Forest Land to the Cochiti Indian Tribe of New Mexico. The land had been wrongfully taken from the Cochitis more than 100 years ago.
 - Concluded an Agreement-in-Principle for water claims of the Ak-Chin Indian community in Arizona. In September 1983, the Tribal Council and Secretary Watt signed the agreement ensuring a permanent water supply to the Tribe by 1988. The agreement also provides additional economic benefits to the Tribe and reduces overall costs borne by the Federal Government.
 - Executed contracts with the Papago Tribe of Arizona, the State of Arizona, the City of Tucson and other local entities to implement the Papago water settlement reached in 1982.
 - Entered an agreement with the North Slope Borough in Alaska which provides for the transfer of the Barrow Gas fields and facilities to the Borough. The agreement ensures local control over resource use and development and reduces costs to the Federal Government.
- The following tribal economic development projects initiated in 1983 are indicators of the success of this Administration's efforts to encourage Indian self-sufficiency:

Indian Lands of the U.S.



Representative Map from 1970 Data

- The Tulalip Tribe of Washington began operating a new \$7 million fish hatchery. On the Navajo Reservation, a smaller hatchery, capable of producing 200,000 rainbow trout, was constructed and began operations.
- The Papago Tribe of Arizona has used a tribal skill center and job training funds to develop a tribal construction company. They have 21 houses under construction, an \$800,000 contract to build the Papago Shopping Center and a \$3.3 million school building contract. Their workforce has increased from three employees in April 1982 to a current force of 105, including 20 employment assistance trainees and 15 CETA trainees.
- The Crow Tribe of Montana entered a lease/joint venture agreement with the Shell Oil Company to mine 210 million tons of coal from reservation land. The Tribe will receive \$12 million in pre-production payments alone.
- The Mississippi band of Choctaws this year doubled the size of its plant which manufactures electrical wiring assemblies for General Motors cars and trucks. This tribal business, Chahta Enterprises, continues to grow even in the industry's off-years because it has established the lowest rejection rate of any supplier servicing the Packard Electric Company (a GM subsidiary).
- A small Nevada tribe, the Reno/Sparks Indian Colony, opened a new mini-mall in June. Construction was completely financed by the Tribe. The mall's eight shops will include an outlet for tribal arts and crafts.
- The Kiowa, Comanche and Apache Tribes of Oklahoma announced plans for a \$260 million development in Lawton, Oklahoma. The development will feature a horse-racing track, theme park, hotel-conference center, multi-family residences and a shopping and office center.



Navajo horseman tending his flock.

A Year of Enrichment: Encouraging Economic Development and Self-Government in the Island Territories

Under our stewardship, the people of the U.S. Territories (Guam, American Samoa, the Virgin Islands and the Northern Mariana Islands) and the Trust Territory of the Pacific Islands (Micronesia) have made tremendous strides toward economic self-sufficiency and governmental self-determination. During the past three years, we have provided territorial governments with the training and tools to help them help themselves. We focused on improving efficiency in territorial governments by reducing burdensome federal regulations, and by providing technical assistance in transportation, medicine, communications, economic development, finance and management. In 1983, we culminated a multi-million dollar capital improvement program to set the stage for the economic diversification and growth that is critical to the Territories' self-sufficiency goals.

We also:

- Sponsored plebiscites and an impartial voter information program in each of the three local jurisdictions in the Trust Territory of the Pacific Islands to determine their future political status, resulting in decisions by the voters of the Federated States of Micronesia and of the Marshall Islands to become freely associated with the United States.
- Authorized American Samoa to call a constitutional convention in January 1984, to review amendments to their constitution for the first time in ten years.
- With the Government of Guam, moved toward implementation of a 1982 plebiscite in which the citizens of Guam requested Commonwealth status.
- Provided several territories with technical assistance in:
 - developing modern accounting and budget systems, and installing computerized financial systems in Palau, Ponape and the Marshall Islands;
 - providing intensive training sessions and financial advisors to assist in operating financial management systems in Palau, the Marshall Islands, Northern Mariana Islands and American Samoa;
 - providing financial planning to resolve an immediate cash shortage problem in American Samoa so that the government could continue operating without any serious reduction in services to the people of the country; and,
 - conducting organizational reviews of local government structures for Palau and American Samoa.

- Established a training course for park maintenance systems to improve the park maintenance capabilities of Guam. Also implemented a maintenance system for public buildings and facilities and provided advisors to several local territorial governments for on-the-job training in the maintenance of power plants.
- Provided an energy advisor to American Samoa, Guam, Northern Mariana Islands, Virgin Islands and the Trust Territory of the Pacific Islands on power problems.



Counting votes on the future of Ponape's political status.

- Assisted several territories in providing health services by:
 - providing the services of a health administration specialist for the Northern Mariana Islands and Ponape;
 - coordinating the efforts of the World Health Organization, the Center for Disease Control, the Department of Health and Human Services and other agencies and organizations which responded to the serious cholera epidemic in the State of Truk;
 - providing a sanitary engineer to construct rural sanitation facilities and a lab technician to fight the cholera;

- generating equipment and water pumps;
- providing training to upgrade the qualifications of medical staff in Ponape, Truk and American Samoa;
- funding construction of a new multi-million dollar hospital on Saipan to improve the delivery of health care for the people of the Northern Mariana Islands; and,
- dedicating three new hospital facilities on each of the three Virgin Islands to meet their growing medical requirements. The total cost of hospital construction was over \$30 million.
- Provided satellite communication advisors and training for Palau, the Marshall Islands and the Federated States of Micronesia, as part of a major improvement to the territorial communications system.
- Provided funds to conduct an air service review for Micronesia and develop an effective sea transportation plan for the Micronesian shipping industry. Also provided air transportation experts to the Marshall Islands to assist in writing civil aviation regulations.
- Assisted territorial governments in dealing with other federal agencies including:
 - the Environmental Protection Agency, in drafting legislation which will allow EPA discretionary authority to exempt the territories from provisions of the Clean Air Act, while ensuring that existing air quality standards are maintained;
 - the Department of State, the Department of Justice and the Coast Guard, in developing legislation to allow the use of foreign-built fishing
- five tons in the territorial waters surrounding Guam, Northern Mariana Islands and American Samoa;
- the Immigration and Naturalization Service, in developing regulations which abolish the adverse effect wage rate for Guam and return the temporary alien worker labor certification authority to the government of Guam; and,
- the Office of the Comptroller of the Currency, in providing expert assistance to the Northern Mariana Islands in writing banking laws and regulations on offshore banking activities.
- Instituted a major training program for police officers (including drug enforcement) and stateside police academy opportunities for Micronesian police officers, and a fire safety training program for fire fighters in Micronesia.
- Provided seed money to create the Caribbean Center in the College of the Virgin Islands which will provide educational support for the economic development of the Caribbean.
- Jointly funded efforts with the U.S. Geological Survey and the Bureau of Reclamation to develop data on water and mineral resources in Guam, the Virgin Islands and American Samoa.
- Established a business development center for the Trust Territory of the Pacific Islands and Guam, where we also expanded commercial port facilities.
- Implemented construction of a new \$5 million dock and a \$1.8 million marine railway (drydock) facility in American Samoa to provide jobs and an added economic base.

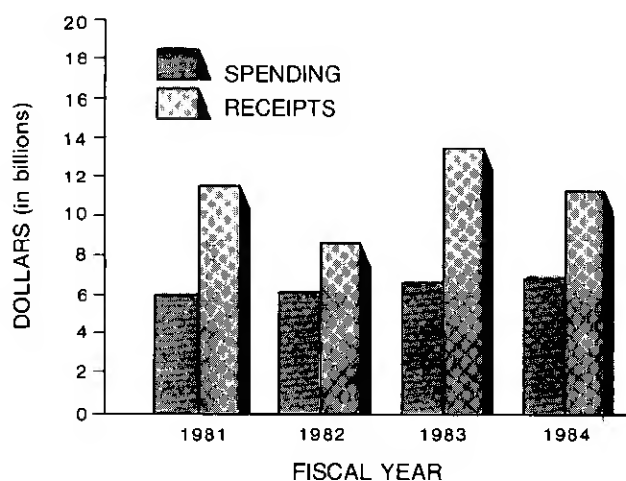
A Year of Enrichment: Improving the Management Effectiveness of the Department of the Interior

We are proud of *what* the Department of the Interior has done in the past three years to fulfill our responsibilities as managers of the public lands and resources. We are also proud of *how* we have done that job. In the past three years, we have set a record of solid accomplishment in the areas of management and administration.

We have:

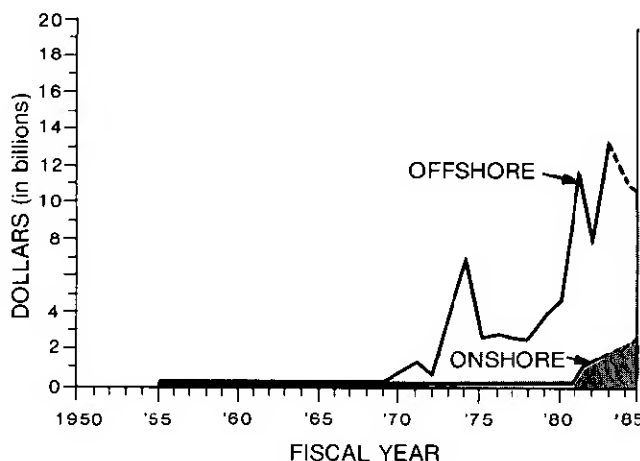
- Reduced net budget authority by approximately 14% from fiscal year 1981 to fiscal year 1984. Interior's gross budget authority increased by almost 7% from \$6.2 billion to \$6.6 billion from fiscal year 1981 to fiscal year 1984. In the same period, revenues generated from Interior programs (excluding offshore leasing) and used to offset Departmental budget requirements increased 56% from \$1.8 billion to \$2.8 billion.

Spending Versus Receipts

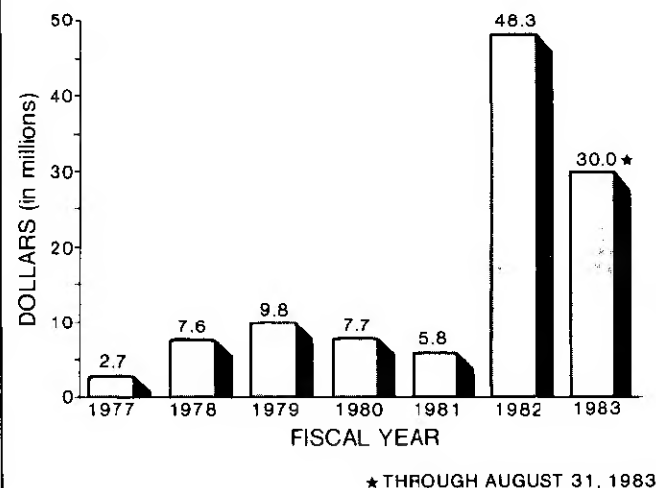


- In fiscal year 1983, generated \$13.5 billion in revenues to the U.S. Treasury. We estimate generating total revenues of \$13.3 billion in fiscal year 1984.
- Increased revenues from simultaneous oil and gas filing fees from \$43.8 million in fiscal year 1981 to \$112.5 million in fiscal year 1983 by increasing the fee from \$10 to \$75. Revenues from oil and gas filing fees are expected to remain at \$112.5 million in fiscal year 1984.

Revenues from Mineral Leasing

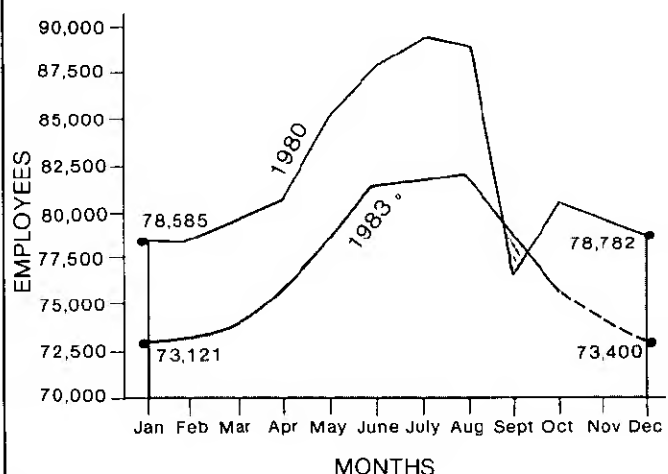


- Completed action on 50 of the 55 rules targeted for revocation or revision as part of our major regulatory reform effort.
- Participated in 152 Congressional hearings, in the spirit of open communication and cooperation—averaging 1.25 hearings each legislative day. The Secretary personally testified on the average of once every twelve legislative days.
- Reduced the number of payroll systems used by the Department by 50% and committed to conversion over the next two years to a single system—at an estimated saving of \$2 million per year.
- Streamlined the bureaus in the Department to eliminate overlapping jurisdictions and duplicative functions. We created the Minerals Management Service; consolidated onshore mineral leasing activities in the Bureau of Land Management; and, abolished the Heritage Conservation and Recreation Service, the Office of Minerals Policy and Research Analysis, and the Office of Water Research and Technology and merged their functions into existing bureaus and offices.
- Implemented a planned mineral royalty audit program—the first such program in departmental history. Our new approach has resulted in significant recovery of past royalty underpayments. In fiscal years 1981 through 1983, we collected \$84 million in

Audit Recoveries from Mineral Leases

unpaid or underpaid royalties—three times the \$28 million collected in the previous four fiscal years.

- Created the best cash management system in government. For example, we instituted wire transfers for major minerals royalty receipts and abandoned mined land fees to save taxpayers an estimated \$1.2 million in interest carrying costs.
- From fiscal year 1981 to fiscal year 1984, reduced permanent full-time personnel by about 7% with limited use of reductions-in-force.
- Slashed by approximately 2 million hours, or over 19%, the amount of time needed by the public to prepare information for submission to the Department. This exceeded the 15% requirement specified by the Paperwork Reduction Act.
- Established a Department of the Interior committee to set standards, delineate uses and develop the technological base for a massive computerization of mapping data. "Digital cartography" is a new and effective tool for use by land managers and earth scientists.
- Accelerated completion of large-scale map coverage of the United States by issuing provisional maps, a procedure which reduces time and cost of map production by 15 to 20%. The date for complete coverage of the Nation has been advanced from the year 2000 to 1989.
- Strengthened internal controls in Department programs by instituting the requirements of the Federal Managers' Financial Integrity Act. Completed 1,240 vulnerability assessments, conducted 280 internal control evaluations of major Department activities and reported to the President and Congress on the evaluation results.
- Improved dependability and credibility of the audit process and created a more stable, highly professional audit staff in the U.S. Territories. Twenty-six audits have been completed or are in process, directed at strengthening accounting and financial

**Department of the Interior
Total Employment**

management systems and controls over the procurement process.

- Continued to implement the recommendations of the Commission on Fiscal Accountability of the Nation's Energy Resources. We have completed or are in the process of completing audits of 23 of the 25 largest royalty payers and eight of the medium-size royalty payers. Audits completed this year identified potential underpayments of \$20 million. Cumulative underpayments identified by audits total \$32.8 million, 85% of which involve interpretive issues which are now in various stages of resolution.
- In fiscal year 1983, awarded 58% of our total procurement obligations to small businesses, compared to 42% awarded to small businesses in fiscal year 1980—a 16% increase in the small business share of total procurement.
- Increased to 11.5% the minority business share of total procurement obligations in fiscal year 1983. In fiscal year 1980, only 10% of the total obligation was awarded to minority businesses.
- In fiscal year 1983, set aside 20% of Interior's total procurement obligations for awards to businesses located or performing in areas of high unemployment, compared to only 8% set aside in fiscal year 1980.
- Created the Office of Historically Black Colleges and University Programs in February 1983, and provided approximately \$2.5 million in contracts, procurement and training to historically Black colleges and universities. Examples of our efforts include: a \$325,000 environmental study contract awarded to the University of Maryland (Eastern Shore) to collect and consolidate a marine productivity information system; a \$125,000 contract awarded to Coahoma Junior College (assisted by the University of Mississippi) to determine the feasibility of developing that State's lignite coal resources; and, joint development by Texas Southern University (TSU) and the U.S. Geological Survey of a cartography curriculum for TSU.

1983

Department of the Interior Officials

Office of the Secretary

Secretary
Under Secretary
Executive Assistant to the Secretary
Assistant to the Secretary
Assistant to the Secretary for Congressional and Legislative Affairs
Assistant to the Secretary for Public Affairs
Deputy Under Secretary
Western Representative
Alaska Representative
Director, Office for Equal Opportunity
Director, Office of Small and Disadvantaged Business Utilization
Director, Office of Youth Programs
Director, Office of Hearings and Appeals
Director, Office of Historically Black College and University Programs

James G. Watt
J. J. Simmons, III

Stephen P. Shipley
Emily S. DeRocco

David S. Brown

Douglas Baldwin
William P. Horn
Stanley W. Hulett
Vernon R. Wiggins

Edward E. Shelton

Charlotte Brooks Spann

Clifton P. Lander, Jr.

Donald R. Tindal

Ira J. Hutchison

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Deputy Solicitor
Associate Solicitor, Audit and Inspection
Associate Solicitor, General Law
Associate Solicitor, Conservation and Wildlife
Associate Solicitor, Energy and Resources
Associate Solicitor, Indian Affairs
Associate Solicitor, Surface Mining

William H. Coldiron
William H. Satterfield

Maurice O. Ellsworth

Marian B. Horn

Keith E. Eastin

Lawrence J. Jensen

Paul T. Baird

Ernest C. Baynard, III

Office of the Inspector General

Inspector General

Richard Mulberry

Office of the Assistant Secretary for Energy and Minerals

Assistant Secretary-Designate
Director, U.S. Geological Survey

William P. Pendley

Dallas L. Peck

Deputy Director, U.S.

Geological Survey
Director, Bureau of Mines
Deputy Director, Bureau of Mines

Director, Office of Surface Mining

Deputy Director, Office of Surface Mining

Director, Minerals Management Service (Acting)

Office of the Assistant Secretary for Fish and Wildlife and Parks

Assistant Secretary
Deputy Assistant Secretary
Director, U.S. Fish and Wildlife Service

Deputy Director, U.S. Fish and Wildlife Service

Director, National Park Service
Deputy Director, National Park Service

Office of the Assistant Secretary for Indian Affairs

Assistant Secretary
Deputy Assistant Secretary

Office of the Assistant Secretary for Land and Water Resources

Assistant Secretary
Deputy Assistant Secretary
Deputy Assistant Secretary
Director, Bureau of Land Management

Associate Director, Bureau of Land Management

Commissioner, Bureau of Reclamation

Director, Office of Water Policy (Acting)

Office of the Assistant Secretary for Policy, Budget and Administration

Assistant Secretary (Acting)
Deputy Assistant Secretary

Office of the Assistant Secretary for Territorial and International Affairs

Assistant Secretary-Designate

Doyle G. Frederick
Robert C. Horton

James F. McAvoy

James R. Harris

J. Roy Spradley, Jr.

David C. Russell

G. Ray Arnett
J. Craig Potter

Robert A. Jantzen

F. Eugene Hester
Russell E. Dickenson

Mary Lou Grier

Kenneth L. Smith
John W. Fritz

Garrey E. Carruthers
J. Steven Griles
Harold W. Furman, II

Robert F. Burford

James M. Parker

Robert N. Broadbent

Kent S. Larsen

Richard R. Hite
William D. Bettenberg

Richard T. Montoya